

Town of Eureka

PO Box 313
Eureka, MT 59917
406-297-2123

EXHIBIT 1
DATE Jan 31, 2011
HB 11

January 31, 2011

TO: Chairman Walter McNutt and members of the Joint Appropriations Subcommittee on Long-Range Planning

RE: Opposition to HB11 Treasure state endowment program and transfers of money to the general fund

The Town of Eureka stands opposed to the HB 11 which would transfer Treasure State Endowment Program (TSEP) funds to the General Fund for the coming biennium.

The Town of Eureka is a prime example of how a small rural community has utilized the TSEP program to leverage other state and federal dollars. By receiving a \$625,000 TSEP award the Town of Eureka is now in the process of expanding and improving their water system for community benefit. The TSEP dollars allowed the Town to leverage another \$2 million mostly federal dollars (USDA Rural Development and US Corp of Engineers) to complete their water system improvement project, that will break ground this summer.

The TSEP program is a crucial program for the State of Montana in order for our communities to have affordable and reliable drinking and wastewater systems. As stated above, we have leveraged Montana dollars for our water system and currently have pending applications with TSEP for our improvement and expansion of the Town's wastewater facility. This expansion that is being proposed will encompass areas currently served by older septic systems that have the potential to cause groundwater contamination, in some areas like Mountain View Trailer Court the contamination has already occurred. These aging septic systems are a concern for the health and well being of our community citizens as well as environmental health.

Without the TSEP program the Town of Eureka, and other Montana Communities will not be able to afford these needed infrastructure projects that promote economic and community development. Infrastructure is the key element to our future and we urge you not to forgo infrastructure investment at this time.

Sincerely,

Ethel White
Ethel White
Mayor



ENGINEERING • PLANNING • MANAGEMENT

January 28, 2011

Pam Smith
Montana Department of Natural Resources and Conservation
P.O. Box 201601
Helena, MT 59620

RE: Technical Support for Town of Eureka Wastewater Improvement Project

Dear Ms. Smith:

Please accept and present this letter to the Long Range Planning Subcommittee in support of the Town of Eureka's application to the RRGL program for funding assistance with a proposed wastewater improvement project.

The Midvale area immediately north of Eureka is a dense area of homes and businesses served by individual septic tank/drain field wastewater disposal systems. Centralized wastewater collection and regional treatment with Eureka's existing wastewater treatment plant is needed for the following reasons:

- The area has been classified as "medium to high hazard" for groundwater contamination by DEQ due to septic tank density
- There have been numerous incidences of bacterial contamination in several of the area's drinking water supply wells
- Groundwater testing shows elevated levels of nitrates in the drinking water in the Midvale area compared to adjacent areas served by wastewater collection
- Soils in the area are not conducive to handling a high density of septic tank/drain field systems
- Over 50% of the population is considered to be in the low to moderate income category and *the area's current unemployment rate is highest in the State at 15%*
- Typical monthly sewer user rates would be on the order of \$75/user/month (3.7 times the target rate) to try and construct needed improvements without financial assistance

Certainly the needs are great and this project will result in direct improvements to groundwater quality in the area. The Town of Eureka expresses sincere appreciation to the Committee for its consideration of these needs and opportunity for renewable resource improvement.

Sincerely,

Winston R. Dyer, PE
Eureka Town Engineer